

SECRET

OXC-1392

Copy 1 of 7

Contract No. CC28441

NEGOTIATED CONTRACT FOR
SCIENTIFIC TECHNICAL SERVICES

25X1

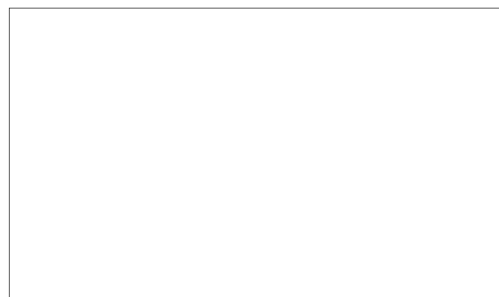


HERBERT L. MILLER
CONTRACTOR

*Not Specified
Revisited as CPT*

UNITED STATES OF AMERICA

25X1



SECRET

Contract No. CC-28441

THIS NEGOTIATED CONTRACT, entered into as of the _____ day of _____, 1961, between the United States of America (hereinafter called "the Government") and Herbert I. Miller and _____ individuals, (hereinafter called "the Contractor").

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WITNESSETH THAT:

WHEREAS, the accomplishment of work and services hereinafter described and in the manner herein contemplated, is authorized by law; and

WHEREAS, the Contractor is willing to undertake the performance of the hereinafter described Scientific-Technical type services on the basis hereinafter set forth; and

WHEREAS, the Government finds that the Contractor is best qualified to perform such work and services all relevant factors considered; and

WHEREAS, it is deemed to be in the best interest of the Government to obtain the assistance of the Contractor in connection with said work and services;

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I - STATEMENT OF WORK

The Contractor shall direct a scientific management group, consisting of a Chief Executive Officer, a Chief Scientist, a Senior Theoretician, and two senior circuit and electronic instrumentation specialists, and other technical and administrative aides reasonably required, toward accomplishment of the following work:

(1) To carry out AR research coordinating activities at the Site and such other places as may be required.

(2) To carry out direction of research and development relating to AR principles, AR materials and devices.

(3) As directed by the Contracting Officer, to keep a set of test records generated from all research and test activities.

(4) To provide advice and consultation to other Contractors, such as, Lockheed, _____ S.E.I., Pratt-Whitney, etc., participating in the "O" Program.

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(5) To provide periodic evaluations of all AR activities on the project and prepare such progress and other reports as may be appropriate.

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With the aid and assistance of the aforesaid personnel the Contractor shall:

(a) As Scientific/Technical representative of the Government procuring Activity, operating from a home office in Las Vegas, Nev., and a field office at the Test Site, direct and manage the AR R&D program. In this connection, it is understood that either the Chief Executive Officer or the Chief Scientist will be present at all times at the Test Site to perform services required.

(b) Utilize to the maximum extent possible existing Contractors, such as S.E.I., EG&G, Lockheed, Pratt-Whitney, etc., to perform work now being done by such Contractors in the equipment, instrumentation and equipment modification areas.

ARTICLE II - PERIOD OF PERFORMANCE

The term of the contract shall commence as of March 1, 1961 and continue through June 30, 1962, the Government reserving the option to have said services continued thereafter through completion of the flight test phase on a level of effort and a pricing arrangement to be later negotiated.

ARTICLE III - COMPENSATION

In consideration of Contractor's complete and satisfactory performance of the aforesaid services, the Government shall make a fixed price payment of THREE HUNDRED TWENTY FOUR THOUSAND SIX HUNDRED FOUR DOLLARS (\$324,604.00) in the following installments:

\$ 7,500.00 on April 1, 1961
\$ 7,500.00 on May 1, 1961
\$14,000.00 on June 1, 1961
\$21,000.00 on July 1, 1961
\$22,833.33 on August 1, 1961 and a like amount on the 1st day of each successive eleven (11) months.

Payment of such price shall be in full compensation of all direct and indirect labor, administrative burden, including necessary home and field office expenses, all domestic travel and subsistence expenses, and profit.

The above price is predicated upon (1) the Contractor having in its employ and beneficially utilized full time on the work hereunder of the following personnel for the following respective number of months:

Chief Executive	16 months
Chief Scientist	13.5 months
Senior Theoretician	14 months

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Senior Systems Engineer	13 months
Senior Electrical Engineer	12 months
Secretarial/Admin. Asst.	14 months.

(2) the Contractor's expenditure of the following approximate 16-month budget for the following items:

Travel	\$40,000.00
Communications	8,000.00
Audit & legal	10,664.00
Rent	5,000.00
Employee fringe benefits, retirement and liability insurance, and vacation time	29,850.00
Contingency Expenses	12,000.00
Moving Expense to Las Vegas	10,000.00

Within thirty (30) days of the completion hereof, the Contractor shall submit its statement of time (by months) and effort expended in the above categories of personnel and expense items, in such form as satisfactory to the Contracting Officer. In the event of any significant downward variation of actual time and effort expended the parties will negotiate an equitable downward adjustment of such price. In the event of failure to agree upon such an equitable adjustment, the matter shall be considered as a disputed question of fact to be determined in accordance with the Disputes Article hereof.

Funding: FIFTY THOUSAND (\$50,000.00) DOLLARS has been allotted to this contract to cover services rendered through June 30, 1961. Additional funding will be effected as required, subject to availability of appropriated funds for this purpose.

ARTICLE IV - NOVATION AGREEMENT

Inasmuch as the Contractor contemplates formation of a Corporation at an early date to carry forward the performance of the within work and services, it is agreed that an appropriate novation agreement shall be entered into substituting such corporate entity for prospective performance of the remaining balance of work and services hereunder to be performed. Contractor shall submit complete information regarding such incorporation, including copies of the Articles of Incorporation, Assignment of Assets, Balance Sheet, and such other satisfactory information as appropriate as a condition precedent to such Novation Agreement.

ARTICLE V - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whensoever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict

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with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

ARTICLE VI - SPECIAL SECURITY RESTRICTIONS

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

ARTICLE VII - GENERAL PROVISIONS

The attached General Provisions, consisting of Pages 1 through 29, inclusive, are hereby incorporated herein as a part hereof.

THE UNITED STATES OF AMERICA,

BY

[Redacted Signature]

Contracting Officer

HERBERT I. MILLER
Contractor

[Redacted Signature]
Contractor